



March 16, 2012

Jocelyn G. Boyd, Esquire  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, SC 29210

**RE: Docket No. 2012- 93-E**

Dear Mrs. Boyd:

On March 1, 2012, Progress Energy Carolinas, Inc ("PEC") filed, in the above referenced docket, its Application for Approval of DSM and Energy Efficiency Cost Recovery Rider, including PEC Exhibit No. 1. Upon further review of its filed Exhibit No. 1, PEC has determined that pages 6 and 16 of this exhibit were incorrectly calculated. Attached to this letter are corrected pages 6 and 16 of PEC Exhibit No. 1. The corrected pages also now include the number years used to determine energy and capacity savings.

The impact of these revisions are isolated to pages 6 and 16 of Exhibit No. 1 and do not affect other elements of the Company's request, including those associated with cost of service determinations. PEC apologizes for any inconvenience associated with this revised filing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Len S. Anthony', written over a horizontal line.

Len S. Anthony  
General Counsel  
Progress Energy Carolinas, Inc.

LSA:mhm

Attachment

**Provision (h)(1)(ii)a - Continued**

The following table provides the program costs, excluding Program Performance Incentives and the recovery of net lost revenues, per appropriate capacity, energy and measure unit metric, over the various program lives. It is important to note that unitized costs will vary from year to year and should be viewed over program lives. Program cost estimates over the life of the program were supplied with the Company's original program applications.

Program / Measure	System Costs	Years	DSM Costs / (MW x Years)	EE Costs / (MWH x Years)
<b>Demand-Side Management Programs (Calculated on EOY 2013 MW Capabilities - at the meter)</b>				
CIG DR	2,219,408	30-yrs	\$3,613	NA
EnergyWise™	13,743,679	30-yrs	\$3,744	NA
DSDR Implementation	37,668,329	30-yrs	\$5,101	NA
<b>Energy Efficiency Programs (Calculated Using Rate Period MWH Savings - at the meter)</b>				
Res Home Advantage	197,630	20-yrs	NA	\$60
Res Home Energy Improvement	6,480,981	15-yrs	NA	\$82
Residential Low Income	2,046,602	10-yrs	NA	\$49
CIG Energy Efficiency	9,897,712	10-yrs	NA	\$21
Solar Hot Water Pilot	NA	NA	NA	NA
Residential Lighting	6,312,104	7-yrs	NA	\$15
Res Appliance Recycling	2,228,358	10-yrs	NA	\$36
Residential EE Benchmarking	777,316	1-yr	NA	\$67
Home Depot CFL	-	NA	NA	NA
Small Business Direct Install	3,637,162	10-yrs	NA	\$21
Residential New Construction	6,918,202	20-yrs	NA	\$66

### Provision (h)(1)(ii)f – Continued

The following table provides the program costs, excluding Program Performance Incentives and the recovery of net lost revenues, per appropriate capacity, energy and measure unit metric, over the various program lives. It is important to note that unitized costs will vary from year to year and should be viewed over program lives. Program cost estimates over the life of the program were supplied with the Company's original program applications.

Program / Measure	System Costs	Years	DSM Costs / (MW x Years) <sup>1</sup>	EE Costs / (MWH x Years) <sup>2</sup>
Demand-Side Management Programs (Calculated on EOY 2012 MW Capabilities - at the meter)				
CIG DR	1,620,589	30-yrs	\$3,830	NA
EnergyWise™	12,144,266	30-yrs	\$3,946	NA
DSDR Implementation <sup>1</sup>	26,700,951	30-yrs	\$3,693	NA
Energy Efficiency Programs (Calculated Using Test Period MWH Savings - at the meter)				
Res Home Advantage	1,593,953	20-yrs	NA	\$24
Res Home Energy Improvement	6,524,113	15-yrs	NA	\$97
Residential Low Income <sup>2</sup>	2,043,925	10-yrs	NA	\$46
CIG Energy Efficiency	8,843,138	10-yrs	NA	\$22
Solar Hot Water Pilot <sup>5</sup>	109,019	NA	NA	NA
Residential Lighting <sup>3</sup>	6,060,056	7-yrs	NA	\$12
Res Appliance Recycling	1,308,454	10-yrs	NA	\$24
Residential EE Benchmarking <sup>4</sup>	761,639	1-yr	NA	\$55
Home Depot CFL	NA	NA	NA	NA
Small Business Direct Install	25,305	10-yrs	NA	NA
Residential New Construction	5,645	20-yrs	NA	NA

The Company's proposed jurisdictional allocation factors for the test period, April 1, 2011 through March 31, 2012, are provided in attached Appendix B.

<sup>1</sup>The Residential Low Income Program does not include amounts for PPI. While amounts for net lost revenues are applicable, PPI amounts are not being requested by the Company.

<sup>2</sup> O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period

<sup>3</sup> O&M expenses for the Residential EE Benchmark Program are not subject to deferral.

<sup>4</sup> PPI and net lost revenue recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.